


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

	
<p>W-01580A Tonto Village Water Company P. O. Box 9116 Mesa AZ 85214</p>	<p>ARIZONA CORPORATION COMMISSION</p> <p>RECEIVED APR 17 2003</p> <p>Director of Finance</p>

ANNUAL REPORT

*Entered
5/1/03
Cym.*

FOR YEAR ENDING

12	31	2002
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FOR COMMISSION USE

<i>ANN04</i>	<i>02</i>
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4-24-03
Collected
Mesa
W-01580A

COMPANY INFORMATION

Company Name (Business Name) <u>Tonto Village Water Company, Inc.</u>		
Mailing Address <u>PO Box 9116</u>		
(Street)		
<u>Mesa</u>	<u>AZ</u>	<u>85213</u>
(City)	(State)	(Zip)
<u>480 244-9760</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		
Local Office Mailing Address <u>Same as above</u>		
(Street)		
_____	_____	_____
(City)	(State)	(Zip)
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>Rebecca Standage</u>		Secretary/Treasurer	
(Name)		(Title)	
<u>PO Box 9116</u>	<u>Mesa</u>	<u>AZ</u>	<u>85213</u>
(Street)	(City)	(State)	(Zip)
<u>480 244-9760</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			
On Site Manager: <u>Jerry Bauler</u>			
(Name)			
<u>HC-7, Box 181-D</u>	<u>Payson,</u>	<u>AZ</u>	<u>85541</u>
(Street)	(City)	(State)	(Zip)
<u>520 478-4128</u>			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Pager/Cell No. (Include Area Code)	
Email Address _____			

Statutory Agent: Rebecca Standage
(Name)
PO Box 9116 Mesa AZ 85213
(Street) (City) (State) (Zip)
480 244-9760
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Gove Allen
(Name)
935 E Main St #101 Mesa AZ 85201
(Street) (City) (State) (Zip)
480 964-0141
Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|--|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input checked="" type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	3,465.72	0.00	3,465.72
304	Structures and Improvements			
307	Wells and Springs	11,120.87	8,926.54	2,194.33
311	Pumping Equipment	15,598.27	11,102.19	4,496.08
320	Water Treatment Equipment	2,779.94	1,849.47	930.47
330	Distribution Reservoirs and Standpipes	26,430.69	22,395.48	4,035.21
331	Transmission and Distribution Mains	46,101.34	38,480.04	7,621.30
333	Services			
334	Meters and Meter Installations	10,263.97	7,321.99	2,941.98
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	3,064.47	2,361.94	702.53
340	Office Furniture and Equipment	2,079.63	1,301.00	778.63
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	164.00	164.00	0.00
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	121,068.90	93,902.65	27,166.25

This amount goes on the Balance Sheet Acct. No. 108



CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	3,465.72		
304	Structures and Improvements			
307	Wells and Springs	11,120.87		
311	Pumping Equipment	15,598.27	.0244	381.00
320	Water Treatment Equipment	2,779.94	.05	139.00
330	Distribution Reservoirs and Standpipes	26,430.69	.004994	132.00
331	Transmission and Distribution Mains	46,101.34	.000542	25.00
333	Services			
334	Meters and Meter Installations	10,263.97	.018316	188.00
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	3,064.47	.033611	103.00
340	Office Furniture and Equipment	2,079.63	.19996	415.00
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	164.00	.1098	18.00
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	121,068.90		1,401.00

This amount goes on Comparative Statement of Income and Expense _____
 Acct. No. 403.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 6,610.27	\$ 5,908.30
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 6,610.27	\$ 5,908.30
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use	119,422.54	121,068.90
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	<92,501.65>	<93,902.65>
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 26,920.89	\$ 27,166.25
	TOTAL ASSETS	\$ 33,531.16	\$ 33,074.55

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	1,118.48	1,247.40
236	Accrued Taxes	50.00	95.00
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 1,168.48	\$ 1,342.40
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction	3,540.63	2,435.63
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 3,540.63	\$ 2,435.63
	TOTAL LIABILITIES	\$ 4,709.11	\$ 3,778.03
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 54,922.80	\$ 54,922.80
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	<26,100.75>	<25,626.28>
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 28,822.05	\$ 29,296.52
	TOTAL LIABILITIES AND CAPITAL	\$ 33,531.16	\$ 33,074.55

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 19,224.17	\$ 21,742.95
460	Unmetered Water Revenue		
474	Other Water Revenues	231.40	448.45
	TOTAL REVENUES	\$ 19,455.57	\$ 22,191.40
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 6,000.00	\$ 6,000.00
610	Purchased Water		
615	Purchased Power	4,343.65	4,419.95
618	Chemicals		
620	Repairs and Maintenance	930.40	409.42
621	Office Supplies and Expense	1,234.57	1,832.79
630	Outside Services	4,900.04	4,475.00
635	Water Testing	1,035.50	690.50
641	Rents		
650	Transportation Expenses	364.00	207.36
657	Insurance – General Liability		
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	83.48	357.11
403	Depreciation Expense	1,438.00	1,401.00
408	Taxes Other Than Income	992.40	598.50
408.11	Property Taxes	1,196.44	1,280.30
409	Income Tax	50.00	45.00
	TOTAL OPERATING EXPENSES	\$ 22,568.48	\$ 21,716.93
	OPERATING INCOME/(LOSS)	\$ <3,112.91>	\$ 474.47
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$	\$
	NET INCOME/(LOSS)	\$ <3,112.91>	\$ 474.47

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End \$ _____

Meter Deposits Refunded During the Test Year \$ _____

WATER COMPANY PLANT DESCRIPTION**WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
A(11-11H)8 AAA	1.25	25	233	8"	1.25	1957
A(11-11H)5DCD	1.25	52	300	6"	1.25	1968
A(11-11H)8 DCC	1.25	17	340	5"	1.25	1987

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
Well site 1 2 hp	1		
Well site 2 3hp	2		
Well site 2 5hp	2		
Well site 3 2hp	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
34,000	1	2,000	1
10,000	2	1,000	2
2,000	1		

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	6400
3	PVC	3900
4	PVC	1200
5		
6	PVC	5100
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	190
3/4	
1	
1 1/2	
2	1
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

3 - Chlorinators (1 per well)

STRUCTURES:

2 - 8' x 8' Pump house

1 - 8' x 8' Pump house

OTHER:

3 - Fenced well sites with gates

COMPANY NAME: Tonto Village Water Company, Inc.

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2002

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	187	495,640	520,420
FEBRUARY	187	401,140	409,160
MARCH	187	541,450	555,690
APRIL	187	740,090	769,580
MAY	188	1,081,300	1,102,920
JUNE	188	971,990	981,710
JULY	188	1,003,440	1,033,540
AUGUST	188	1,084,990	1,070,820
SEPTEMBER	188	623,550	639,140
OCTOBER	188	677,730	687,890
NOVEMBER	187	523,620	544,560
DECEMBER	188	434,040	447,060
TOTAL		N/A	8,762,490

851870 cww

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (x) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (x) No

If yes, provide the GPCPD amount: _____

What is the level of arsenic for each well on your system. Unable to locate* mg/l

(If more than one well, please list each separately) *each of 3 wells tested at less than maximum contaminant allowed.

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Tonto Village Water Company, Inc. **YEAR ENDING 12/31/2002**

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2002 was: \$ 1,280.30

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

COMPANY NAME Tonto Village Water Company, Inc. **YEAR ENDING 12/31/2002**

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 474.47
Estimated or Actual Federal Tax Liability 0.00

State Taxable Income Reported 474.47
Estimated or Actual State Tax Liability 45.00


Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4/11/03

DATE

Rebecca Standage

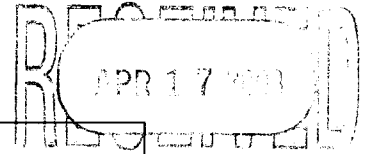
PRINTED NAME

Sec/Tres

TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Maricopa
NAME (OWNER OR OFFICIAL) TITLE
Rebecca Standage Sec/Tres
COMPANY NAME
Tonto Village Water Company, Inc

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

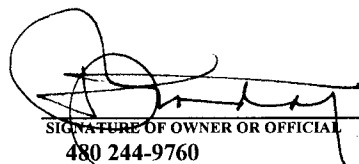
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2002 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 21,742.95

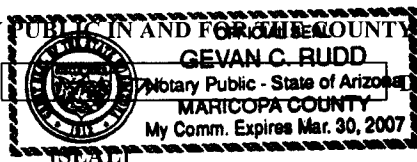
(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 1,527.77
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

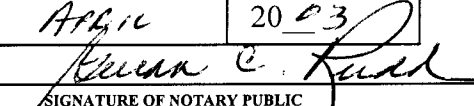

SIGNATURE OF OWNER OR OFFICIAL
480 244-9760
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS GEVAN C. RUDD DAY OF
MARICOPA COUNTY

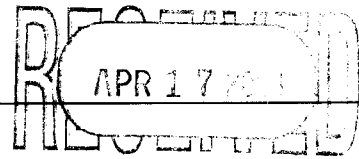


MY COMMISSION EXPIRES 3-30-07

COUNTY NAME	
Maricopa	
MONTH	20
April	03
	
SIGNATURE OF NOTARY PUBLIC	

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

ARIZONA CORPORATION
COMMISSION



VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME) <u>Maricopa</u>	
NAME (OWNER OR OFFICIAL) <u>Rebecca Standage</u>	TITLE <u>Secy/Treas</u>
COMPANY NAME <u>Tonto Village Water Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2002

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

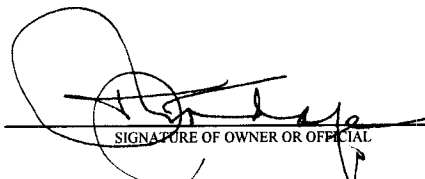
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2002 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>21,052.11</u>
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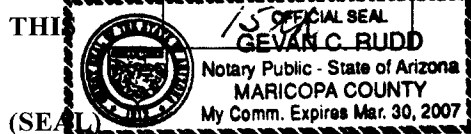
(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 1479.96
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.


SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

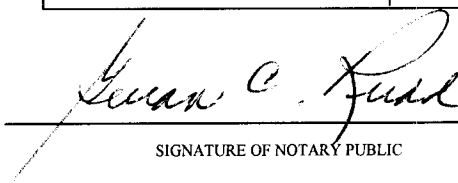
THIS 15th DAY OF



(SEAL)

MY COMMISSION EXPIRES 3-30-07

NOTARY PUBLIC NAME <u>GEVAN C. RUDD</u>	
COUNTY NAME <u>MARICOPA</u>	
MONTH <u>APRIL</u>	<u>2002</u>

X 
SIGNATURE OF NOTARY PUBLIC